



U.S. Agency for International Development
Bamako, Mali

Country Strategic Plan

FY 2003 – 2012



REDUCING POVERTY AND
ACCELERATING ECONOMIC GROWTH
THROUGH PARTNERSHIPS

JULY 2002

Accelerated Economic Growth Strategic Objective (SO9)

1. Development Challenge and USAID's Advantages

Malian per capita income of \$250 per year is about the same as it was 20 years ago. However, over these two decades, per capita income (GNP divided by the population) has fluctuated considerably. During the second half of the 1980s, it fell, then moved up and down in the first half of the 1990s, and began to grow steadily in the second half of the 1990s (following the devaluation in 1994). Agriculture makes up about 40% of Malian Gross Domestic Product, but its influence goes far beyond that level. In fact, most of the variability in annual Gross Domestic Product can be explained by the fluctuations in agricultural income. The economics literature provides an abundance of studies and empirical evidence that agricultural growth is essential to achieve poverty reduction and overall economic growth. In Mali, achieving a higher growth in agriculture will be absolutely essential for increasing incomes and employment and for reducing poverty.

As noted in Section III Assistance Environment, Mali is very vulnerable to economic factors beyond the nation's control – world prices for gold, cotton, oil (fuel), regional political difficulties, and dependence on foreign aid. Except for the latter, these are largely beyond national control, but are still potential challenges to economic progress. Mali must exploit its modest comparative advantages and diversify its products and markets to lessen risks.

After twenty years of sustained donor support, Mali is just beginning to transform its agriculture from a structurally food deficit sector to a surplus producer and net cereal exporter. Increased private sector investments, progress in agricultural production, and agricultural market policy reform are beginning to result in improved returns and must be reinforced and fortified. To identify those agro-industrial sectors that could have the greatest effect on both economic growth and poverty alleviation, while providing some insulation from risk, USAID/Mali contracted for an extensive Agricultural Sector Assessment (see Annex D). The assessment identified key constraints, opportunities, and risks for those agricultural subsectors with the greatest potential for growth.

With productivity gains observed over the past five years and the improving competitiveness of Malian rice in both domestic and West African regional markets (following the CFA devaluation in January 1994), Mali has become a rice exporter. A thriving private sector involved in rice production, milling and marketing is emerging in Mali, especially in the Office du Niger zone. As the second largest donor of the Cereals Market Restructuring Program and one of major donors in the Office du Niger (government-designated agriculture geographic zone), USAID has been instrumental in promoting policy reforms conducive to increased private sector involvement in all aspects of the rice sector. Direct USAID support helped the Malian government to privatize the four public industrial rice mills of the Office du Niger, to revise the land tenure regime and allow private sector access to irrigated land for commercial farming purposes, to develop more than 30,000 hectares of community-managed rice perimeters, to introduce improved milling technologies, and to improve the marketing skills and access to marketing information of rice producers, traders and millers. High transport and tax costs, under-investment in irrigation, land tenure problems, lack of credit for irrigation investments, and processing issues for increasing competitiveness continue to represent major constraints to maintaining and accelerating growth in the sector.

In the livestock sector, marked increases in domestic sales and exports have been evident over the past several years. Sale of livestock and related products is an important source of income for many women in Mali. In rural areas women are the major actors in milk marketing and are often involved in small ruminant production. USAID has continued to lobby for improved livestock sector policies, specifically for improving Mali's competitiveness in exports to coastal countries. USAID has been instrumental in improving marketing efficiencies through improved market infrastructure, developing better managed capacity among livestock cooperatives, and developing stronger business relationships between Malian exporters and importers in

neighboring countries. As within the cereal sector, USAID's support to the market information system has assisted in better dissemination of livestock market information and in creating regional trader networks. In addition, USAID's support for improved efficiencies in livestock vaccine production and marketing through the Central Veterinary Laboratory has had significant impacts on animal health and consequently on production. However, in spite of continued progress in livestock production and exports, seasonal feed shortages continue to plague potential accelerated growth in the sector. Consistently better nutrition would allow animals to be marketed at an earlier age, thereby increasing herd turnover and livestock owners and exporters incomes.

Credit and agricultural finance continue to be top concerns of planners, farmers and private sector operators in virtually all subsectors of the agricultural sector in Mali. The need for efficient financial intermediation to support savings mobilization and subsequent resource allocation to the most efficient and competitive entrepreneurs and projects is paramount to the advancement of the agricultural sector as a source of growth in Mali. USAID, together with other donors, has been engaged in various rather modest mechanisms to strengthen the financial sector for several years now. Within the Office du Niger, USAID has supported a modest, pilot irrigation investment guarantee funding mechanism for the past three years, now showing promising results. In addition, USAID support has helped several individual microfinance institutions, as well as the professional Association of Microfinance Institutions, in strategic planning, business plan development, designing and installing management information systems, and accounting and financial management training. On the agribusiness front, USAID finalized a pilot Development Credit Authority (DCA) loan guarantee program in FY 2001 to provide financing for agribusiness investments. The DCA program is responding in part to the lack of investment financing for agribusiness investments. However, more progressive mechanisms (equity funds, etc.) are needed to stimulate investment over the early and mid-strategy period (two-five years).

The fundamental problem in increasing investment and lending to the agricultural sector is the perceived risk of such investments. Elsewhere, USAID has had considerable success in developing and implementing risk reduction activities and strategies to support agricultural lending. For example, cost-sharing funds have been used in USAID programs for many years and have been relatively successful (Morocco and Kenya). There are a number of other potential options including establishment of leasing companies (to reduce the capital cost of investment), training programs and portfolio management, better business and financial plans to account for risk and risk analysis, together with loan guarantees, cost sharing, and venture capital funds. Such mechanisms could be instrumental in bringing capital to the agriculture sector, inducing expatriate exploration of investment in Mali and increasing the level of investment in market development and penetration.

The basic problems being addressed by this strategic objective are the relatively low level of economic growth in Mali and the consequent low average per capita income. The underlying hypothesis is that with the development of regional market opportunities for select agricultural commodities (for which Mali has a comparative advantage) and with mechanisms for increased production and marketing (inputs, finance, and trade strategies) being developed, an increasing number of producers will emerge and expand these developing regional markets. The result will be increased productivity and incomes in select agricultural subsectors that show the greatest growth potential.

2. Purpose and Definition

The purpose of the Accelerated Economic Growth Strategic Objective is to **Increase Productivity and Incomes in Selected Agricultural Subsectors** in Mali. The Strategic Objective will build on successful elements of the current strategy. It will focus support on the production and trade of selected commodities for which Mali has a comparative advantage and for which production and regional market risks can be minimized in response to investment opportunities. In addition, it will continue targeted assistance to agro-businesses and support to microfinance together with

broader bank-financing options through expanded technical assistance, training and institutional financing. As a result of increased stability in the North, targeted agro-business and microfinance assistance will also be extended to include that region. Creating a regional enabling policy environment conducive to economic growth will support all these efforts.

Increasing economic growth and reducing poverty are central objectives for USAID and for the Government of Mali. To achieve these objectives, increased agricultural productivity with production risk reduction and trade are essential. Both acute and chronic poverty and food insecurity have plagued Mali for many years. Climatic risk (drought), leading to degradation of the renewable natural resource base, is a major source of food insecurity and vulnerability for the Malian population (especially women groups involved in agriculture). Risk reduction through productivity improvement and diversity in irrigated food crops for which Mali has a comparative advantage, together with increased regional trade and support to natural resource management (NRM), will be key to helping Mali become more food secure and achieve sustainable economic growth and increased incomes.

Though the economic growth program is not specifically targeting men or women, USAID fully recognizes the role and importance women play in all sectors. Their active participation in the agriculture sector as a whole is essential for progress to be made in agriculture. Women are important actors in horticulture, irrigation, and small ruminants activities. Women are heavily involved in domestic markets and can become important players in regional trade. Women are the largest group using microfinance and thus benefit most from microcredit programs. These resources are used for creating and expanding income-generating activities.

The Accelerated Economic Growth Strategic Objective will have been accomplished when partners and/or customers increase selected agricultural subsector GDPs and savings generated by MFIs as follows. As the major targets for measuring performance, these are the expected accomplishments (provided through national statistics).

- value of rice production to grow from a nominal base of \$70,324,000 in 2000 to \$91,735,000 in 2007 and \$122,762,000 in 2012
- livestock production from a nominal base of \$148,354,000 in 2000 to \$180,534,000 in 2007 and \$209,290,000 in 2012
- absolute microfinance savings from a nominal base of \$19,644,000 in 2000 to \$63,085,000 in 2007 and \$156,968,000 in 2012.

3. Intermediate Results

a. IR 1: Sustainable Production of Selected Agricultural Products in Targeted Areas Increased

Mali has a large natural resource base for agricultural production. However, agricultural production in Mali is subject to high variability from one year to another. In spite of immense irrigation potential, rain-fed agriculture still dominates the Malian rural economy. Mali's recognized comparative advantage lies in its potential for irrigation and in the livestock subsector as influenced by the availability of animal feed, quality pastureland, and markets.

This Intermediate Result proposes to reduce the production risk and enhance the productivity of the rice, horticulture and livestock subsectors through investment in irrigation (rice and horticulture), animal feed enterprises, together with training/capacity building throughout these subsectors and natural resource management (NRM). Increases in production and income are often used to finance better health care, better schooling, and nutrition for the benefit of women and children.

The current USAID/Mali activities relate primarily to agro-processing with some production focus efforts primarily aimed at the rehabilitation of irrigated areas, training of producer groups on NRM practices, facilitation of access to inputs and production technologies, and cooperative

business management training. Continued USAID support is necessary to: a) foster the livestock production and ensure a sustainable flow of income to people working in the sector, b) expand land area under irrigation, c) replicate and expand USAID experience in Community-Based Natural Resource Management (CBNRM) to targeted areas of the country.

The potential for productivity enhancement and risk reduction through irrigation investments is enormous. Risk is reduced for the family participants because they are no longer as dependent on rainfall. Risk is reduced for the economy as a whole as well, because the overall market basket becomes somewhat less vulnerable to rainfall variability. The productivity enhancement is obvious - crop yields will be multiplied many fold in the impacted zones. One important crop that will be produced is rice. Much of the increase in rice production will be exported to neighboring countries. The potential for increasing regional rice exports has been clearly identified in various studies.

In addition to rice, there will be an increase in horticultural crop production (done mainly by women). About 40% of the market sales of products in the Office de Niger zone comes from horticulture products, most of which is produced by women. Sector growth will mean increased income for women. These crops are produced both for domestic and export markets. Some of them also offer potential for value-added processing. Before making the specific investments, further analysis of the benefits and costs of alternative irrigation investments will be undertaken. Possibilities include canal irrigation in the Office du Niger geographic zone, water catchment area irrigation, and small and medium scale irrigation. The objectives are to expand irrigated areas to reduce risk, enhance productivity, and to enter developing regional markets. It should not be assumed that women will benefit equally though. USAID will assess the impact of the interventions on the well-being of women and their families.

Yield increases for sorghum and millet of 20-30% are possible if improved seed varieties were more widely available and used in combination with fertilizer and water retention technologies. The Government of Mali is getting out of the seed business in 2002. Analysis indicates that under current conditions, multiplication of sorghum, millet, and maize seeds is not profitable on a pure private sector basis. USAID may work with research centers and other donors to support rationalization of these basic functions. Moreover, USAID may provide assistance to non-government organizations and/or producer associations who will engage in seed multiplication and dissemination. Creating an appropriate incentive system to accomplish the multiplication and dissemination and to help the more successful operations evolve towards private seed companies is critical.

The Production Intermediate Result will assist Malian farmers in irrigated areas and private entrepreneurs in the animal feed sector to seize the opportunities offered through increased access to production infrastructure (particularly in rapidly expanding irrigated areas) and technology, capacity building, together with reinforcing a sound natural resource management policy environment. This in turn will lead to increased volumes of rice, horticulture products, feed produced, and incomes for farmers.

The use of improved natural resource management (NRM) practices is a key to the sustainability of production. The degradation of the environment will negatively affect the production system. To minimize that degradation, the Government of Mali has adopted a National Environmental Protection Policy. Activities may include CB/NRM, support to review of NRM policies, training, income generation activities, etc, in conjunction with expansion of production potential in targeted areas.

Illustrative Activities:

- Expanded production of least cost feed rations for livestock;
- Business management training for livestock feed enterprises
- Training of farm producer groups in business and management practices
- Financing of irrigation infrastructure and water points

- Irrigated land tenure reform
- Support for seed multiplication and distribution
- Training and extension of Community Based Natural Resource Management (CBNRM) techniques
- Improvement and dissemination of CBNRM regulations

Key Indicators:

- Number of operational feed mills (enterprises) is increased.
- Volume of feed produced by the mills is increased.
- Acreage under irrigation is increased.
- Degradation of Natural Resources is decreased.
- Availability of improved seeds is increased.
- Volume of Rice and of Animal Feed produced.
- Number of Hectares under Horticulture production.
- Number of Hectares under approved NRM Management Plans.
- Number of Producers who adopt improved NRM practices.

b. IR 2: Trade of Selected Agricultural Products Increased.

Mali has a long history of market reform, spanning over a period of 22 years. The first market reform efforts concerned the agricultural sector with the initiation of the Cereals Market Restructuring Program in 1981. Under this program, the government removed all legal barriers to private cereals marketing and let demand and supply determine producer and consumer prices. Except cotton, water, electricity and telecommunications, all other prices are now market-determined. The government's commitment to private sector-led growth is being translated into the restructuring and privatization of public enterprises and into policies that promote private investment (both domestic and foreign).

Economic liberalization and the exchange rate policy change have substantially improved the competitiveness of Mali. The productivity gains obtained after the devaluation of the CFA Franc in 1994 led to the diversification of Malian exports and export markets. Increased stability in the North is also opening opportunities for increased production and export from that region. The stage is now set for substantive economic gains through trade. However, in order to obtain substantial gains, a number of constraints still impeding trade need to be addressed. These constraints include: low traders' marketing skills and knowledge of regional and international trade regulations, high transaction costs, inappropriate policies in some cases, lack of access to trade financing, poor marketing infrastructure.

Current USAID efforts will be pursued and enhanced, and new activities will be initiated to promote and increase regional (as well as international) trade that will have greater impact on the growth of the Malian economy.

Illustrative Activities:

- Strengthening and expansion of the Market Information System
- Expansion of marketing infrastructure
- Pursuance of trade policy reforms
- Strengthening of the capacity of professional trade organizations
- Expansion of agriculture markets

Key Indicators:

- Trade organizations expand their capacity to formulate policy options and effectively lobby for improved policy environments

- Malian Commerce Directorate have a trade promotion program that meets the needs of the private sector
- Range of products covered by the market information system is widened and traders have access to timely market information
- Volume of cereals, livestock, fruits and vegetables, and hides exported
- Expansion in the use (nationally and regionally) of the Market Information System.

c. IR 3: Access to Finance Increased.

The banking/financial sector does not play the role it could in the liberalized Malian economy and in particular within the agricultural sector. Credit access and financing instruments, particularly in regard to the agriculture sector, are top concerns of planners, farmers and private sector operators throughout the sector. The need for efficient financial intermediation to support savings mobilization and subsequent resource allocation to the most efficient and competitive entrepreneurs and projects is very important to the advancement of the agricultural sector in Mali.

This intermediate result will consist of increasing the access of producers (especially women's groups) to financial services and increasing investment in agriculture. Current USAID/Mali activities have focused on the development of sustainable microfinance institutions and new financial tools that promote investment (i.e. Development Credit Authority-DCA). However, several constraints in the financial sector remain to be addressed in order to secure resources for the agricultural sector and the economy in general. These constraints include the lack of financing options for the investor/producer in the medium to long term; the existence of market information asymmetry; lack of professional training for MFI staff; prior misuse of credit and lack of understanding about credit; and high transaction costs.

Illustrative Activities:

- Creation of financial tools permitting the leveraging of funds used for mid/long term investment in the agriculture sector
- Improvement of the credit bureau and creation of microfinance institutions' (MFIs') credit bureaus to re-enforce confidence in client lending risks
- Strengthening banks and MFIs' capacity to manage agricultural risk, to manage the loan portfolio and to develop bankable proposals
- Development of complementary mechanisms between the MFIs and commercial banks, businesses, and financial institutions to address mid-size credit borrower needs
- Improvement of the policy environment for financial institutions

Key Indicators:

- Policy environment is conducive to facilitated access to credit
- Increased investment is made in the agricultural sector.
- Number of business plans submitted to banks and other financial institutions.
- Number of loans granted through diverse instruments for agriculture.
- Number of loans granted through microfinance institutions (MFIs).
- Number of income generating activities created through MFIs.

4. Contextual Assumptions

It is recognized that USAID is not able to make major infrastructure investments, such as building roads or electricity generation and distribution. These are expensive activities, but very necessary in the long-run if Mali is to achieve sustained economic growth. Other donors, like the World Bank, IMF, and France, are working in these areas. USAID will remain intensively and consciously engaged in donor coordination forums through the period of this strategy. The Malian liberalization of ownership, private sector control of production, processing, and

marketing is expected to continue. Government involvement in the cotton sector should be finished by 2005.

Drought and regional instability effecting market potential are constant threats in Mali and West Africa as a whole. We believe a conscious and purposeful focus on market diversification within the context of irrigated agriculture can reduce, but certainly not eliminate, this risk. Other risks and vulnerabilities include: disruption of neighboring trading partners (political and within markets), equitable income distribution, corruption and non-adherence to West Africa economic and trade policies, major price fluctuations for key commodities, illegal taxes internally and at borders, continued bank aversion to risk and loss of a common currency and link to the Euro.

5. Linkages

a. Linkages within SO

All three Intermediate Results are inter-dependent and, on their own, significant results at the Strategic Objective level will not be achieved. Production increases by farmers need to be marketed and linkages through trade must be expanded. Current systems are inadequate. Additionally, neither production nor markets/trading can expand unless there are substantial increases in financial resources available to pay for these expansions. When the results have been achieved, there will be sustainable increased production and trade of selected agricultural commodities for which Mali has a comparative advantage. Conditions will exist for sustainable production increases of these commodities in targeted irrigated areas throughout the country and enhanced regional trade relations will exist.

b. Linkages within Mission Strategy

The USAID/Mali Accelerated Economic Growth Program is linked to accomplishment of USAID's Economic Growth, Trade, and Agriculture pillar ("Broad-based economic growth and agriculture development encouraged" and the "The world's environment protected for long-term sustainability" goals) and the Economic Growth sector under the Mission's Performance Plan. The activities related to improved sustainable production, increased trade, and increased access to financial services of the Accelerated Economic Growth Program clearly fit within the economic focus areas of the Agency and the Mission.

The Accelerated Economic Growth Program will have linkages to many areas that will strengthen economic growth: with the Education SO providing the fundamental knowledge base in the rural populace necessary to recognize, take advantage of, and exploit new agribusiness opportunities; with the Shared Governance SO to create effective advocacy throughout civil society for legislative reforms conducive to economic development (legal reforms regarding micro-finance institutions and reducing illicit export taxes, legal recognition of village associations as part of the cooperative law); with the Health SO to bridge increased agricultural production, income growth and levels of childhood nutrition, including the development of policy recommendations and specific interventions to improve nutritional status; and with the Communications Special Objective for wide use of radio and internet to enhance access to quality and timely market information for producer groups and interested private sector actors. Increased incomes generated from this SO will provide funds at the community level for increased investments in schools and hospitals where needed.

Limited Food For Peace (FFP) resources are expected to be available from monetization of FFP commodities outside of Mali. Those resources, if available, will be used solely to support activities that contribute directly to achievement of results under the Mali CSP. In the case of IR 9, this will mean such FFP resources will have to be used for activities that increase agriculture production for the targeted subsectors or help to increase trade or financial resources.

The USAID West African Regional Program (WARP) portfolio has an important trade component. It is based on the recognition that in order for the countries of West Africa to stimulate and

maintain economic growth needed to increase household income, these countries must work in a regional framework. Regional economic integration is expected to provide West African states with the necessary conditions for attracting private investment and stimulating domestic markets and cross-border trade. The Accelerated Economic Growth Strategic Objective program will work closely and in close coordination to the WARP Regional Trade agenda. The WARP Strategic Objective 1 (SO1) for regional economic integration, which supports fora at which regional institutions can discuss and formulate a common agenda for regional economic integration, addresses the removal of barriers and impediments to trade. These broad obstacles range from lack of standardized banking and accounting practices, of uniform customs procedures, inefficient and unreliable energy systems to restrictive trade and investment policies and lack of transparency in transactions. SO1 integrates individuals from different parts of civil society in West Africa to participate in consultations, dialogue and information sharing on and/or about economic development issues. The aim is to build real African participation and leadership in the development agenda, and to strengthen the political will of governments to implement programs developed by or with civil society.

c. Conformance with Donor and GRM Programs;

USAID/Mali has identified several partners within both the public and private sectors to work with in implementing the production program in targeted areas. They include the Technical Agencies of the Ministry of Rural Development (Office du Niger, Office de la Haute Vallée du Niger, Office Riz Ségou, Office Riz Mopti, Office Malien de Betail et Viande, and Direction Nationale de l'Aménagement et de l'Équipement Rural). Farmers Associations, other Private Sector Groups.

The Accelerated Economic Growth program proposed herein is fully in line with GRM strategies and action plans as defined in the following documents: “Master Scheme for the Development of the Rural Sector during the period 2002-2010”, “Strategy and Perspectives of the Microfinance Sector in Mali”, “Microfinance Action Plan”, “National Environmental Action Plan and the National Programs of the Convention on Desertification” and the PRSP. The Accelerated Economic Strategic Objective will be implemented in close collaboration with the GRM institutions in charge of the above-mentioned strategies and programs and with other donor agencies.

USAID/Mali has identified some key public and private partners to work with in implementing a trade development program. Among these, private trade organizations in the cereals, livestock and horticulture sectors like Association Malienne des Exportateurs de Legumes et Fruits, Federation des Groupements et Organisations Inter-Professionnelles du secteur-Betail et Viande du Mali, and Réseau des Opérateurs Économiques du Secteur Agro-Alimentaire du Mali will probably be key players in working with USAID to alleviate remaining barriers (formal and non-formal) to trade and to tackle issues related to capacity strengthening in the area of understanding regional and international trade rules and regulations.

Key government entities in charge of trade like the Commerce Directorate the Ministry of Industry, Commerce and Transport and regional institutions like Inter-State Committee to Combat Drought in the Sahel, West African Economic and Monetary Union and Economic Community of West African States will undoubtedly play a major role in the development and enforcement of harmonized regional trade regulations, grades and standards, and the reduction of transportation costs, in close collaboration with the private sector.

USAID/Mali has identified some key public and private partners to work with in implementing a finance program. Among these, private financial organizations like Association Professionnelle des Établissements Bancaires et Financiers, Association Professionnelle des Institutions de Microfinance, and Association professionnelle des agro-entreprises. Key Government entities in charge of financial sector include Cellule d'Appui et de Suivi des Systèmes Financiers Décentralisés, Ministry of Economy and Finance, Banque Centrale des États de l'Afrique de

l'Ouest, Chamber of Commerce, and the Ministry of Commerce. These will probably play a major role in the development of the financial sector.

The proposed Accelerated Economic Growth program will be implemented in close collaboration with other donors/development partners in the economic growth sector to achieve results. USAID/Mali is an integral and active member of the World Bank coordinated Joint Donor Group currently involved in the irrigation sector (National Rural Infrastructure Program), as well as the National Agricultural Sector and Farmers Organizations Support Program in Mali. Close coordination is maintained among the donors in each of these groups with frequent and open information exchange and planning meetings within the group on a regular formal basis. Many of the proposed Accelerated Economic Growth activities will complement and support those currently underway from our development partners, international organizations and local institutions.

Other donors working in the production sector, with which collaboration will be sought, include: World Bank, Canada and French Cooperation. In the area of microfinance development and agribusiness development they include: the European Union and the Netherlands. In the livestock sector development, irrigation and marketing policy reform France is a major donor. In marketing policy reform, microfinance and rural development the Netherlands is a major donor. In marketing policy reform, agricultural research, alternative commodities development and irrigation, Canada is an active donor. In policy reform and food security, World Food Program is active.

6. Instruments

This SO will assist local non-government organizations in further becoming capable, independent partners so that they are recognized as providing “value added” with their respective agendas and they can increase strategic cooperation and coordination of efforts setting the stage for economic growth. USAID's main partners are government and non-government organizations (including women's groups), who either tackle problems directly or encourage and support national organizations and the private sector to make available the necessary inputs (land, technology, labor and capital etc.) to enhance production, regional trade, and provide the means of accessing the financial resources necessary to achieve accelerated economic growth. Also, long-term training for men and women may be provided in instances where crucial expertise is not available locally in economic growth areas directly related to implementation of some aspect of SO9.

Contractors will undoubtedly also assist in implementing the Accelerated Economic Growth Strategic Objective. Their services will be procured through Requests For Proposals or Task Orders.

U.S. Private Voluntary Organizations, in partnership with local non-governmental organizations, community organizations, federations and associations will help implement the program, with services procured either through Requests For Assistance or Annual Program Statements.

There is a potential to also use Non-Project Assistance (NPA) for support of the Government of Mali, where assistance to strong, ongoing programs that link directly to result achievement. Such a possibility will largely depend on the effectiveness of certain government programs, the transparency of operations, and the policy framework under which they operate.

Results Framework for SO9

Productivity and Incomes Increased in Selected Agricultural Subsectors

Overall Indicators:

- Ind : Rice subsector income
- Ind : Livestock subsector income
- Ind : Absolute amount of savings generated by Malians microfinance institutions

Development Context:

- Track GDP growth rate
- Track % living in poverty

Intermediate Results

Intermediate Result 1

Sustainable Production of Selected Agricultural Products in Targeted Areas Increased

Indicators:

- Ind 1.1: Volume of rice and animal feed produced.
- Ind 1.2: # ha under horticultural production (aggregated by gender).
- Ind 1.3: # hectares under approved Natural Resource Management plans.
- Ind 1.4: # producers who adopt improved NRM practices.

Access to improved animal feed increased

Irrigation expanded

Village associations control over NR increased

Intermediate Result 2

Trade of Selected Agricultural Products Increased

Indicators:

- Ind 2.1: Volume of cereals exported
- Ind 2.2: # of heads of livestock exported
- Ind 2.3: Volume of fruits & vegetables exported
- Ind 2.4: Volume of hides and skins exported.
- Ind 2.5: # of policies (including environmental policy), norms, standards etc, drafted & effectively lobbied.
- Ind 2.6: # of contract agreements signed/executed based on the Market Information System (MIS).

Use of market information increased

Trade related infrastructure increased

Enabling environment improved (capacity of private/public sector re. trade regs, transport, advocacy policy, standards)

Intermediate Result 3

Access to Finance Increased

Indicators:

- Ind 3.1: # of business plans submitted to banks and financial institutions (aggregated by gender)
- Ind 3.2: # of loan granted through diverse instruments (aggregated by gender).
- Ind 3.3: # of loans granted through MFI
- Ind 3.4: # of Income generating activities created through MFI (in the North)

Use of diversified credit instruments increased

Entrepreneurs/Farmers capacity to develop bankable loan application increased

Illustrative Activities

- Training
- Agricultural Inputs
- Technology development and dissemination
- Irrigation canal built
- Capacity building
- Income generating activities (NRM)

- Strengthen Market information system
- Develop market infrastructures
- Conduct Policy Studies, Analyses and dialogue/Reform
- Capacity building of professional trade orgs
- Market Development

- Training and TA for micro finance inst.
- DCA? Equity funds and other instruments
- Strengthening micro finance institutions including making them financially sustainable
- Leveraging other donor funds
- Business planning
- Development of bankable business plans
- Policy reform/regulation

